

# Entrepreneur's Inventory

*This inventory is a tool to help you determine your potential for success as an entrepreneur. Follow the directions for each section and for scoring the inventory.*

**A. Life Experience Index:** Write down the number of your response to each statement.

**True = 1      False = 2**

1. I have a close relative who is, or was, in business for him/herself.
2. I have friends who own and operate a business.
3. I have worked in a small firm in which I had close contact with the owner.
4. I have owned or been a part-owner in a previous venture.
5. I have worked in a small division of a large business in which I had close contact with the division chief.
6. As a child, I was involved in money-making projects such as lemonade stands, paper route, babysitting, etc.
7. I have lived in three or more cities in my life.
8. I've been fired or quit because of disagreements with my boss.
9. I have work experience in a variety of functional areas.
10. I have had bosses reject my "better mousetrap" ideas.
11. I am between 30 and 40 years of age.
12. My spouse or family is supportive of my work.
13. My subordinates respect me and work hard for me, even if they don't necessarily like me.
14. I find it easy to get along with people.
15. When a problem arises, I usually figure out a way to solve it.
16. I like to do things rather than plan things.
17. What happens to me is what I make happen, not the result of luck or fate.

**B. Personality Index:** Write down the number on the scale of 1-5 which corresponds to your reaction to each statement.

**strongly disagree**                      **strongly agree**

**1                  2                  3                  4                  5**

1. I have a high level of energy and drive.
2. I am self-confident.
3. I don't usually get uptight in ambiguous or uncertain situations.
4. I set long-term goals and stick to them.
5. I set realistic but ambitious goals for myself.
6. I like to set my own standards for performance when I undertake a task.
7. I like to get feedback on my performance.
8. I don't believe in perfect solutions, only in the best solution for the situation.
9. I get as much information as possible before making a decision.
10. I prefer games of skill over games of chance.
11. I don't get overly anxious about the consequences of my decisions.
12. I view failure as a learning experience and am not too discouraged by it.
13. I like solving challenging problems.
14. Routine and repetitive tasks bore me.
15. I ask for help if I need it to accomplish my goals.
16. I feel that my success depends on my performance.
17. I enjoy situations which require my initiative and depend on me for their success or failure.
18. I am self-reliant.
19. I am a self-starter.
20. For me, money is more important as a measure of my success than for what it can buy.

**C. Motivation/Accommodation Index:** Write down the number on the scale of 1-5 which corresponds to your reaction to each statement.

<b>strongly disagree</b>				<b>strongly agree</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

## COMPARED TO OTHERS

1. I am willing to make work my first priority, ahead of my family and friends.
2. I am willing to invest (and possibly lose) my life savings.
3. I am willing to change my standard of living to accommodate the financial needs of my business.
4. I see building and running a business as an all-consuming way of life.
5. I like finding creative ways to do things.
6. I don't like to just do things better, I like to find new ways to do things.
7. I like working as a team with other people.
8. I feel comfortable being the boss.
9. I like to profit from the work of my employees.
10. I have a firm sense of business ethics.
11. I value honest dealing, dependability, and reliability over making a quick buck at the customer's expense.

**D. Business Readiness Index:** Write down the number on the scale of 1-5 which corresponds to your knowledge and/or readiness in the areas addressed.

<b>Low</b>				<b>High</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

1. How right do you think the times are for starting your business? How would you rate the current economic climate?
2. How much do you know about the operations of the kind of business you want to start?
3. How well do you know your goals for the size and profitability of your business in years 1-5?
4. How sure are you that a market exists for your product or service?
5. How well do you know your competition and why customers will choose you over them?
6. How well can you identify your target market?
7. How knowledgeable are you about the buying habits of your customers?
8. How clear are you about the amount of money you'll need to start and operate your business for the first year?
9. How clear are you about the amount of money you'll need to make from the business to support your family?
10. How certain are you of the money you can raise from your savings and other assets to start your business?
11. How clear are your estimates for the amount of money you'll need to run the business in years 2 and 3?
12. How sure are you that the business can give you an adequate return on your investment of time and money?
13. If you could make twice as much money working for someone else as running your own business, how certain are you that you would start the business?
14. How would you evaluate your credit rating and financial reputation in your community?

# Scoring Key

- A. Life Experience: Count the number of “true” answers (1’s) you gave and find your score below.

<u>Number of TRUEs</u>	<u>Score for Section A</u>
13-17	5
10-12	4
7-9	3
4-6	2
0-3	1

B, C & D: Personality, Motivation, and Readiness: Add the circled numbers in each section and

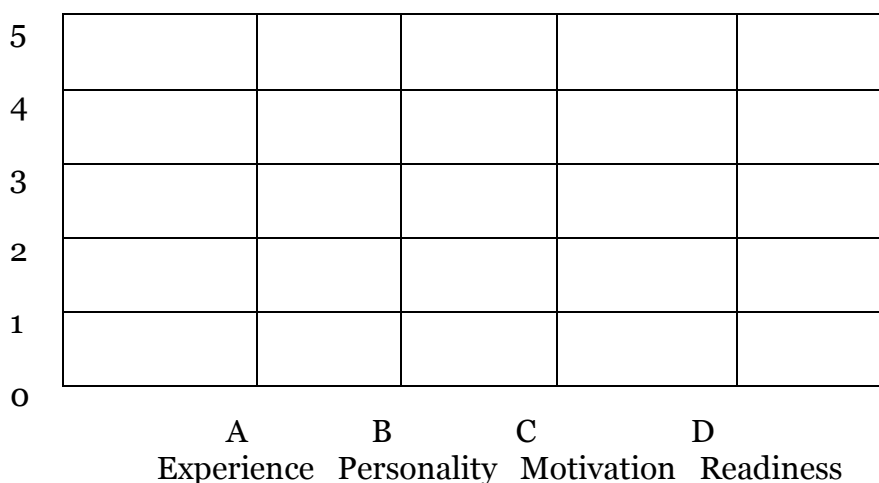
Calculate the average to determine your score for B, C, & D.

B: Personality: total score \_\_\_\_\_/20=\_\_\_\_\_ average score

C: Motivation: total score \_\_\_\_\_/11=\_\_\_\_\_ average score

D: Readiness: total score \_\_\_\_\_/14=\_\_\_\_\_ average score

Now use the diagram below to graph your Entrepreneurial profile:



## HOW YOU STACK UP

Successful entrepreneurs come in all shapes and sizes. This inventory was designed to give you ideas of how you stack up on the factors experts think are most important. Your profile is one indicator of your readiness to start a business, but it cannot predict success. In fact, no test can tell the whole story! Whether or not you have what it takes to make it in business for yourself is ultimately UP TO YOU!